

Overall Rating

(VLEOX/VLEIX)

Among 527 Small Growth Funds
(as of 6/30/25)

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the Fund's 3, 5, and 10-year (if applicable) Morningstar metrics.

Fund Facts

Symbol

Investor VLEOX

Institutional VLEIX

Inception Date

Investor 6/23/93

Institutional 11/1/15

Total Assets

\$757M
(as of 6/30/25)

Top 10 Holdings

(as of 6/30/25)

Company	Weight (%)
CACI International Inc Class A	4.41
Comfort Systems USA Inc	4.19
Woodward Inc	3.68
Federal Signal Corp	3.38
RBC Bearings Inc	3.31
ExlService Holdings Inc	3.15
Ensign Group Inc	3.09
Watts Water Technologies Inc Class A	2.99
Post Holdings Inc	2.92
Fabrinet	2.79

Value Line Funds

443.279.2015

www.vlfunds.com

Portfolio Manager Q&A

Value Line Small Cap Opportunities Fund (VLEOX/VLEIX)

Q1: Would you please comment on the Fund's performance relative to the Morningstar Small Growth Category in the second quarter and for longer-term periods?

In the second quarter of 2025, the Fund produced a total return of 8.71% and underperformed the Morningstar Small Growth Category average return of 10.48%. For the 1-year period ended June 30, 2025, the Fund returned 7.34% while the category returned 8.04% on average.

Over longer periods, the Fund outperformed the Morningstar category average for the 3, 5 and 10-year period, and with less risk. In fact, the **Fund is the only one in the category** (among 124 unique funds) that achieved **top 25% or better performance along with a "Low" Risk Rating for the 3, 5 and 10-year periods** as of June 30, 2025.

	1 Year	3 Year	5 Year	10 Year
Percentile Rank in Morningstar Cat. – VLEOX	47	23	16	16
# of Funds in Category	544	527	512	400
Morningstar Risk Rating		Low	Low	Low

Source: Morningstar as of 6/30/25

Please visit the Fund's [performance page](#) for complete performance information.

Q2: Would you please describe the Fund's approach to seeking long-term growth while minimizing risk?

The Fund's investment approach is focused on identifying small-capitalization companies with long-term, stable operating results. We believe that investing in companies with consistent growth in both stock price and earnings achieves growth objectives while providing a "smoother ride" for investors. As such, the Fund has maintained an attractive risk/reward profile compared to its Morningstar Small Growth Category peers.

The Fund has lower volatility, as measured by standard deviation, compared to the Morningstar category average, with the lowest volatility among its category peers for the 10-year period. In addition, the Fund's Sharpe Ratio, a measure of risk-adjusted return, ranks in the top 20% or better for the 3, 5 and 10-year periods in the Morningstar Small Growth Category as of June 30, 2025.

	3 Year	5 Year	10 Year
Fund (VLEOX) Standard Deviation Rank	#8 Lowest	#4 Lowest	#1 Lowest
# of Unique Funds in Morningstar Small Growth Cat.	146	142	124

	3 Year	5 Year	10 Year
Fund (VLEOX)	0.52	0.52	0.54
Morningstar Small Growth Cat. Avg.	0.36	0.33	0.39
VLEOX vs. Funds in Category	Top 16%	Top 8%	Top 5%

Source: Morningstar as of 6/30/25

Continued from previous page

Q3: Would you please share some examples of portfolio holdings that maintained consistent operating results throughout numerous economic cycles?

The Fund's portfolio is comprised of companies that have a history of consistent growth in stock price and earnings over multiple years. We strive to own companies that are positioned for relative stability over long-term periods and able to weather short-term economic swings. Some examples of our portfolio holdings include:

- CACI International Inc. (CACI) provides information services primarily for the U.S. government. The company's services support national security and government modernization for intelligence, defense, among others. The Fund has owned a position in CACI since 2017.
- Ensign Group Inc. (ENSG) provides health care services facilities including skilled nursing, assisted living, home health and urgent care operations. The Fund purchased Ensign Group stock in 2019.
- GATX Corp. (GATX) is the leading global provider of railcar leasing and service in North America, Europe and India. The Fund first added GATX to the portfolio in 2024.

Portfolio Manager



Stephen E. Grant

Stephen E. Grant has been a portfolio manager with the Value Line Funds since 1991. Over the past 30 years, Mr. Grant's unique quantitative/behavioral methodology has driven the success of several equity and hybrid funds. Mr. Grant has a B.A. in Economics from Stanford University and an MBA in Finance from the Wharton School of the University of Pennsylvania.

The performance data quoted herein represents past performance and does not guarantee future results. Market volatility can dramatically impact the fund's short term performance. Current performance may be lower or higher than figures shown. The investment return and principal value will fluctuate so that an investor's shares, when redeemed may be worth more or less than their original cost. Past performance data through the most recent month end is available at vlfunds.com or by calling 800.243.2729. You should carefully consider investment objectives, risks, charges and expenses of Value Line Mutual Funds before investing. This and other information can be found in the fund's prospectus and summary prospectus, which can be obtained free of charge from your investment representative, by calling 800.243.2729, or by clicking on the applicable fund at www.vlfunds.com. Please read it carefully before you invest or send money.

The average annual returns shown above are historical and reflect changes in share price, reinvested dividends and are net of expenses. Investment results and the principal value of an investment will vary.

There are risks associated with investing in small and mid-cap stocks, which tend to be more volatile and less liquid than stocks of large companies, including the risk of price fluctuations.

Standard deviation is a statistical measure that shows the likelihood of an investment to yield above- or below-average returns over a period of time. For example, if hypothetical XYZ Fund has an average annual total return of 11% and a standard deviation of 6.00, that means XYZ Fund's performance is likely to vary from a low of 5% to a high of 17%. Sharpe ratio is a statistical expression calculated by dividing a fund's excess return by the standard deviation of those returns that measures the relative reward of holding onto risky investments. The higher the ratio, the greater the potential for return for the same amount of risk. The lower the ratio, the worse the fund's historical risk-adjusted performance.

The Morningstar Rating™ for funds, or "star rating" is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. The Value Line Small Cap Opportunities Fund received 4 stars for the 3-year period and 5 stars for the 5- and 10-year periods ended 6/30/25, among 527, 512 and 400 Small Growth funds, respectively. © 2025 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

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